ASX Announcement

Family Zone Cyber Safety Ltd

Perth, Thursday March 12, 2020



STRONG TAILWINDS IN USA EDUCATION

Family Zone, *supporting and protecting every child's digital journey*, is pleased to update the market on continued progress in the important USA education market.

A\$2M Annual Contracted Revenue Milestone Achieved in USA

The Company is pleased to announce that our USA sales team has this month passed through A\$2M of annual contracted revenue. This result has been achieved in a little over 12 months and primarily with a 4 person sales team.

This recent revenue growth has been buoyed by the addition of 5 experienced education sales professionals taking our US team to 16 persons.

Key selling metrics continue to build with +30% lead conversion rates and +85% trial conversion rates.

Most pleasingly, as the Company has now developed a strong reputation in the US education market, school districts are increasingly prepared to enter into multi-year service agreements with cash paid up-front. These arrangements now account for over 35% of deals won and are expected to build over time to greater than 50%.

Our US operation is now entering the key April-July sales period in USA education. With a strong team and a sales pipeline already exceeding A\$6M in annual recurring revenue the Company is confident of exceptional results.



Flexible learning, home instruction and COVID-19

The Company notes investor questions with respect to the potential impact of COVID-19 on the Family Zone business.

Investors should understand that the majority of Family Zone's income (today 87.5%) is derived through governments and schools, all of whom have legal obligations and a duty of care to ensure students are safe.

Importantly, school interruptions and closures have stimulated commentators, the media and US school districts to start actively considering the necessity of flexible and home-based instruction.

FEE Foundation for Economic Education Coronavirus May Lead to "Mass Homeschooling"

According to Kevin Carey of the New America think tank, who spoke to The New York Times, coronavirus in the US could lead to "a vast unplanned experiment in mass home-schooling."

Friday, February 28, 2020

Family Zone's Classwize tool is perfectly suited for future-classrooms where teachers can seamlessly manage large, mobile and virtual classes.

Classwize empowers teachers with complete visibility and control of students assigned to their class. Classwize supports Chromebooks, Windows and Apple Macbooks and operates in the cloud, permitting schools to manage remote, home and other flexible modes of instruction.

Even before the Coronavirus, Classroom control has been a hot topic in USA education and a key driver for schools considering alternatives to their existing provider. We expect recent events will establish remote learning capability as a prerequisite for school districts and consequently will offer Family Zone a compelling market advantage.



FREE CLASSWIZE FOR AFFECTED SCHOOLS

We're proud to advise the market that in support of schools dealing with COVID-19, we recently announced that Classwize is available at no cost for affected schools.

This initiative is being promoted directly by us and in the USA through our partnership with Google For Education.



Screen visibility. Content control. Ease of use.



During these uncertain times, ensure your district can deliver education no matter where students may find themselves.

If your schools shut down, we want to offer our Classwize solution for remote learning—at no cost to you.

Authorised by the Board of Family Zone Cyber Safety Limited

About Family Zone

Family Zone, **supporting and protecting every child's digital journey**, is an ASX-listed technology company and an emerging leader in the fast growing global cyber safety industry. Family Zone's unique innovation is its patented cyber safety ecosystem, a platform enabling a world-first collaboration between schools, parents and cyber safety educators. Family Zone's unique approach is delivering rapid growth in the education sector, as well as through direct sales and scalable reseller arrangements with telco providers.

To learn more about the Family Zone platform and the Company please visit <u>www.familyzone.com</u>.



Contacts

Tim Levy Managing Director timl@familyzone.com +61 413 563 333 Tim Dohrmann

Investor Relations tim@nwrcommunications.com.au +61 468 420 846

Family Zone Cyber Safety Limited 945 Wellington Street West Perth, WA 6005